



DEPARTMENT OF COMMERCE

International Trade Administration

[C-475-841]

Forged Steel Fluid End Blocks from Italy: Preliminary Results of Countervailing Duty Administrative Review, and Intent to Rescind Administrative Review in Part; 2020-2021

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that certain producers/exporters of forged steel fluid end blocks (fluid end blocks) from Italy received countervailable subsidies during the period of review (POR) May 26, 2020, through December 31, 2021. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Brontee George or Richard Roberts, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4656 or (202) 482-3464, respectively.

Background

On January 29, 2021, Commerce published the countervailing duty order on fluid end blocks from Italy.¹ On March 9, 2022, Commerce initiated an administrative review of the *Order*.² On September 15, 2022, Commerce extended the deadline for the preliminary results of this administrative review by 120 days, until January 31, 2023.³

¹ See *Forged Steel Fluid End Blocks from the People's Republic of China, the Federal Republic of Germany, India, and Italy: Countervailing Duty Orders, and Amended Final Affirmative Countervailing Duty Determination for the People's Republic of China*, 86 FR 7535 (January 29, 2021) (*Order*).

² See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 87 FR 13252 (March 9, 2022).

³ See Memorandum, "Extension of Deadline for Preliminary Results of 2020-2021 Countervailing Duty Administrative Review," dated September 15, 2022.

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁴ A list of topics discussed in the Preliminary Decision Memorandum is included as the appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Scope of the *Order*

The merchandise covered by this *Order* is fluid end blocks from Italy. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found to be countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution by an "authority" that gives rise to a benefit to the recipient, and that the subsidy is specific.⁵ For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

⁴ *See* Memorandum, "Decision Memorandum for the Preliminary Results of Countervailing Duty Administrative Review: Forged Steel Fluid End Blocks from Italy; 2020-2021," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁵ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

Preliminary Results of Review

As a result of this review, we preliminarily determine that, for 2020 and 2021, the following estimated countervailable subsidy rates exist:

Company	Subsidy Rate 2020 (percent <i>ad valorem</i>)	Subsidy Rate 2021 (percent <i>ad valorem</i>)
Lucchini Mame Forge S.p.A.	6.74	6.89

Assessment Rates

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. If the rate calculated for any respondent, in the final results is zero or *de minimis*, we will instruct CBP to liquidate all appropriate entries of subject merchandise without regard to countervailing duties. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

Pursuant to section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts calculated for the year 2021 for Lucchini Mame Forge S.p.A, except, where the rate calculated in the final results is zero or *de minimis*, no cash deposit will be required on shipments of the subject merchandise entered or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, CBP will continue to collect cash deposits of estimated countervailing duties at the all-others rate or the most recent company-specific rate

applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Verification

As provided in section 782(i)(3) of the Act, Commerce intends to verify the information relied upon here for its final results.

Disclosure

Commerce intends to disclose its calculations and analysis performed in reaching the preliminary results within five days of publication of these preliminary results, in accordance with 19 CFR 351.224(b).⁶

Public Comment

Case briefs or other written documents may be submitted to the Assistant Secretary for Enforcement and Compliance.⁷ A timeline for the submission of case and rebuttal briefs and written comments will be provided to interested parties at a later date.

Pursuant to 19 CFR 351.309(c) and (d)(2), parties who wish to submit case or rebuttal briefs in this review are requested to submit for each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. All briefs must be filed electronically using ACCESS. Note that Commerce has temporarily modified certain of its requirements for service documents containing business proprietary information, until further notice.⁸

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must do so within 30 days after the date of publication of this notice by submitting a written request to the Assistant Secretary for Enforcement and Compliance, using Enforcement and Compliance's ACCESS system. Hearing requests should contain: (1) the party's name, address, and telephone

⁶ See 19 CFR 351.224(b).

⁷ See 19 CFR 351.309(c) and (d).

⁸ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

number; (2) the number of participants; and (3) a list of the issues to be discussed. Issues addressed at the hearing will be limited to those raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a date and time to be determined. Parties should confirm the date and time of the hearing two days before the scheduled date. Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

Unless the deadline is extended, Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, no later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

Notification to Interested Parties

These preliminary results of review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213 and 351.221(b)(4).

Dated: January 31, 2023.

Lisa W. Wang,
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Scope of the *Order*
- V. Intent to Rescind the Administrative Review, in Part
- VI. Use of Facts Otherwise Available and Adverse Inferences
- VII. Subsidies Valuation Information
- VIII. Analysis of Programs
- IX. Recommendation

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